

**SHEET METAL WORKERS' INTERNATIONAL ASSOCIATION
LOCAL UNION NO. 280
(PRODUCTION WORKER SECTION)**

**FISHER & LUDLOW LTD.
PRODUCTION AGREEMENT**

**Fisher & Ludlow Ltd.
Box 5025
Burlington, Ontario
L7L 2Y7**

December 1, 2004 - November 30, 2007

AGREEMENT

This Collective Agreement named for reference the **FISHER & LUDLOW LTD. PRODUCTION AGREEMENT** and dated the 1st day of December 2004.

BY AND BETWEEN:

**FISHER & LUDLOW LTD.
Box 5025 , Burlington, Ontario L7L 2Y7**

Hereinafter referred to as “the Company” or “the Employer”,

PARTY OF THE FIRST PART

AND:

**SHEET METAL WORKERS INTERNATIONAL ASSOCIATION,
LOCAL UNION NO. 280** on behalf of its **PRODUCTION WORKER SECTION**

Hereinafter referred to as the “the Union”,

PARTY OF THE SECOND PART

establishes by mutual consent the following terms and conditions:

ARTICLE 1 - RECOGNITION

- A. The Company recognizes the Union to be the sole bargaining agent for all employees covered by this Agreement.
- B. All new employees shall be informed that the Union is the sole bargaining agent.

ARTICLE 2 - SCOPE OF AGREEMENT

- A. This Agreement covers all shop employees, excluding Management and Office Staff.
- B. Both Parties further agree that the several classifications of employees enumerated herein are defined to cover the manufacture, fabrication and assembly and shipping of metal products in and from the shop only.

ARTICLE 3 - RESERVATIONS

- A. The Company reserves the exclusive right to manage the business, to decide the products it will manufacture, the methods by which the work will be done and the standards of workmanship.
- B. Within the framework of this Agreement, the Company reserves the right to engage, discharge, suspend, or discipline employees for just cause, to promote, demote or discharge, suspend, or discipline employees for just cause, to promote, demote or transfer employees from one department to another, to increase or decrease the working force, to make rules for the safety of the plant and for the guidance and safety of its employees. Any employee demoted or transferred, who feels that he has been unjustly dealt with, shall have the right to exercise the grievance procedure as provided for in this Agreement.

ARTICLE 4 - REPRESENTATION

- A. ***The Shop Steward shall serve as the Shop Committee together with one representative from the Company. The Company shall recognize this Shop Committee and there shall be no discrimination against its member for expressing the interests of the employees. The Union shall keep the Company advised of the name of the Shop Steward so appointed.***
- B. The Chairman of the Shop Committee shall be considered a Shop Steward.
- C. The Business Representatives of Local 280 shall be allowed access to the shop during lunch hour; however, the Union agrees that there shall be no solicitations of employees during working hours.

ARTICLE 5 - CO-OPERATION

- A. All Parties to this Agreement hereby commit themselves to the fullest co-operation with the object of maintaining efficient and uninterrupted production in the plant of the Company.
- B. ***The Production Committee meetings between the Charge Hand and Management shall be to expedite harmoniously the provisions of this Article.***

ARTICLE 6 - MANAGEMENT-SHOP COMMITTEE

- A. ***Management-Shop Committee meetings shall be held as often as required by either party to this agreement. They shall consist of the Committeeman, the Business Representative if able to attend, and one representative from Management.***

ARTICLE 7 - GRIEVANCE PROCEDURE

- A. Any employee shall have the right to report to the Chairman of the Shop Committee any grievance or dispute which he cannot settle with his Chargehand and upon the grievance or dispute being reported to the Chairman, he shall take the matter up with the Shop Superintendent. Should the ruling of the Shop Superintendent be unsatisfactory to the Chairman, he shall then take up the matter at the next Management-Shop Committee meeting.
- B. Should such measures fail to arrive at a satisfactory decision, the conciliation and arbitration machinery as provided for by the British Columbia Labour Relations Board shall be used.
- C. During the life of this Agreement, or while negotiations for a further Agreement are in progress, there shall be no strikes on the part of the members of the Union, nor any lock-out on the part of the Company, until the full provisions of the British Columbia Labour Relations Act in respect of these matters are fully complied with.

ARTICLE 8 - CONDITIONS OF EMPLOYMENT

- A. The Parties mutually agree that as a condition of employment by the Company, all present and future employees coming under the scope and provisions of this Agreement shall become members and/or maintain membership in the Union.
- B. The Company also agrees to notify the Union office when additional employees are required; it is understood however, that in the event the Union is unable to supply the requirements of the Company for additional employees after reasonable notice (forty-eight [48] hours), these additional employees can be

ARTICLE 8 - CONDITIONS OF EMPLOYMENT

secured from other sources, provided that they are given a clearance by the Union and comply with Section "A" above within fifteen (15) days.

- C. The Company also agrees to deduct each month from the earnings of every employee covered by the provisions of this Agreement, such sum by way of Monthly Dues or Initiation Fees as may be fixed from time to time by the Union, under the provisions of its Constitution. The amount of Dues or Initiation Fees deductible are set out in **Article 17** of this Agreement.
- D. The total amount so deducted as outlined in **Article 17** above, shall be forwarded with an itemized statement to the Union prior to the fifteenth (15th) day of the month following that in which the deductions were made.

ARTICLE 9 - WAGE RATES AND CLASSIFICATIONS

- A. The schedule of wages as shown under Schedule "A", forming part of this Agreement, shall continue in effect during the life of this Agreement.
- B. For the purpose of this Agreement, the various employee classifications are shown in Schedule "B", forming part of this Agreement.
- C. It is agreed by the Company that no employee of the Company shall suffer a reduction in wages as a result of its being made effective.

ARTICLE 10 - HOURS OF WORK, CALL-OUT, OVERTIME AND SHIFT WORK

- A. Eight (8) hours shall constitute a day's work, to be performed between the hours of **6:30 a.m. and 4:00 p.m.** Five (5) days shall constitute a week's work, Monday to Friday inclusive.

A ten (10) minute coffee break will be granted both morning and afternoon.

- B. Any employee who is scheduled or required to and does report for work and is not put to work shall receive a minimum of two (2) hours pay. Any employee commencing work shall receive a minimum of four (4) hours pay, except where failure to put such an employee to work is occasioned by non-operation of the plant as the result of circumstances beyond the control of the Company.
- C. All overtime worked after eight (8) hours from Monday to Friday inclusive shall be paid for at the rate of time and one-half up to **two (2) hours**. All overtime in excess of **ten (10) hours** during the regular scheduled work week will be paid for at the rate of double time.

When overtime is to be worked, the Company will make every effort to give at least twenty-four (24) hours advance notice and more if possible.

ARTICLE 10 - HOURS OF WORK, CALL-OUT, OVERTIME AND SHIFT WORK (continued)

The Company agrees that it will not work Saturdays and Sundays unless absolutely necessary.

Double time shall be paid for all work performed on Saturdays, Sundays, and for all Statutory Holidays proclaimed by the Provincial or Federal Governments.

- D. If it is found necessary to work second or third shifts, the hours worked shall be as follows:

Seven and one-half (7 1/2) hours shall constitute the second shift, for which eight (8) hours pay shall be given;

The third shift shall consist of seven (7) hours work for eight (8) hours pay.

If it is found necessary to arrange shifts to conform with a continuous production schedule, the matter shall be taken up with the Shop Committee and the Business Representative of the Union.

If it is found necessary to transfer an employee from one shift to another, a period of at least one (1) shift must elapse between shifts worked.

ARTICLE 11 - STATUTORY HOLIDAYS

- A. The Statutory and recognized Holidays shall be:

- | | |
|------------------|---------------------------------------|
| New Year's Day | Good Friday |
| Victoria Day | Canada Day |
| B.C. Day | Labour Day |
| Thanksgiving Day | Remembrance Day |
| Christmas Day | Boxing Day |
| | Heritage Day (3rd Monday in February) |

or any other Holiday declared by the Provincial or Federal Government, plus one (1) Floating Day to be taken by mutual agreement between the employees and the Company.

If a Statutory Holiday(s) should fall on a Saturday or a Sunday, the following or preceding work day(s) shall be observed.

- B. All Statutory Holidays proclaimed by the governments shall be paid at straight time when not worked, with the provision that the employee has worked part or all of the regularly scheduled work day immediately prior to, and the regularly scheduled work day immediately following the Holiday, and with the provision that the employee has been continuously employed for the preceding month.

ARTICLE 11 - STATUTORY HOLIDAYS (continued)

- C. If an employee qualified for Statutory Holiday pay in accordance with the conditions in the preceding paragraph and works on the Holiday, he is to receive double time for the time worked with a day off at a later date mutually agreeable.

ARTICLE 12 - ANNUAL VACATION

- A. Employees shall receive three (3) weeks Annual Vacation with pay, the payment for which shall be on the basis of six percent (6%) of their gross earnings of the preceding period, provided however that employees with less than one (1) year of service shall receive Annual Vacations in accordance with the Annual and General Holidays Act R.S.B.C. 1960, Chapter 11 and amendments thereto.

Upon completion of ten (10) years of service employee(s) shall receive four (4) weeks annual vacation, the payment for which shall be eight percent (8%) of their gross earnings of the preceding period.

Upon completion of seventeen (17) years of service employee(s) shall receive five (5) weeks annual vacation, the payment for which shall be ten percent (10%) of their gross earnings of the preceding period.

- B. The total amount earned shall be paid at the time of permanent lay-off, at the time vacation is taken or once a year, whichever constitutes the lesser period.
- C. It shall be a violation of this Agreement for an employee to forego his paid vacation or to work for wages during the vacation period.

ARTICLE 13 - JOB OPPORTUNITY AND SENIORITY

- A. The Parties recognize that job opportunity and security shall increase in proportion to length of service. It is therefore agreed that in all cases of vacancies, promotions, transfers, lay-offs, and recall after lay-off, length of service with the Company shall be the determining factor, providing such employees have the skill, ability and training to efficiently perform the work required.
- B. An employee will be on probation and will not be subject to the seniority provisions of this Agreement until after he has completed ***ninety (90) calendar days*** with the Company. Upon completion of such probationary period, the employee's name will be placed on the Seniority List with the seniority dating from the date he commenced employment. It is understood that the lay-off, discharge or displacement of a probationary employee shall not be the subject of a grievance.

ARTICLE 13 - JOB OPPORTUNITY AND SENIORITY (continued)

An employee shall lose all seniority if he:

voluntarily quits the Company, or

is discharged and the discharge is not reversed through the grievance procedure, or

fails to report to work within five (5) working days after being notified by the Company by Registered Mail to the last address recorded with the Company following lay-off, or

is absent for three (3) consecutive working days without notification to the Company, except where the ability to notify the Company is beyond the control of the employee, or

is absent due to lay-off for more than six (6) calendar months, or

fails to return to work upon the termination of an authorized leave of absence or vacation, except where such failure is beyond the control of the employee.

- C. It shall be the duty of the employee to notify the Company of any change in address.
- D. Management shall maintain a plant-wide Seniority List which shall include all employees covered by this Agreement.

SENIORITY LIST

<i>Peter Fehlhaber</i>	<i>Nov. 23, 1981</i>
<i>Peter Dyck</i>	<i>July 22, 1988</i>
<i>Richard Lillies</i>	<i>April 13, 1994</i>
<i>Harry Stevenson</i>	<i>Oct. 13, 1997</i>

ARTICLE 14 – HEALTH BENEFIT FUND

- A. Effective December 1, 2004, two dollars and twenty-three cents (\$2.23) per hour for each and every hour or part hour of employment in any job classification will be paid by the Employer to the Trustees of the Standard Sheet Metal Agreement.
- B. These monies will be remitted to the Trustees by the fifteenth (15th) day of the month following that which contributions cover, in the manner provided by the Unified Remittance Form.
- C. The ***Health Benefit*** Fund will provide benefits to employees and participating Employers who become eligible on a schedule to be determined by the Trustees.

ARTICLE 15 – TERMINATION

- A. Employees choosing to terminate their employment with the Company shall give one (1) hour's notice. The Company shall give notice of discharge or layoff to employees as per the Employment Standards Act.

ARTICLE 16 - SAFETY AND HEALTH

- A. All Parties agree to accept, promote and conform to the Accident Prevention Regulations of the Workers' Compensation Board of the Province of British Columbia.

- B. It is agreed that clean and adequate lunchroom and toilet facilities shall be available to the work force.
- C. The Company shall supply Safety Hard-hats and Goggles to all employees requiring same in the course of their work.
- D. ***Each and every employee after completing the probation period of 90 calendar days shall be eligible to receive in the first pay period of January each year the sum of ninety-five dollars (\$95.00) for the purchase of one (1) pair of safety work boots and/or shoes and the sum of sixty dollars (\$60.00) as a clothing allowance to purchase clothing appropriate for the job.***
- E. The Parties mutually agree that the Company reserves the right to enforce "No Smoking" rules in fire danger zones.

ARTICLE 17 - UNION SECURITY

A. Basic Dues

1. The Company agrees to deduct each month from the earnings of each and every Employee covered by this Agreement, such sum by way of monthly Dues as may be fixed by the Union, or such sum as payment or partial payment on an Initiation Fee as may be fixed by the Union under the provisions of its Constitution.
2. The total amount deducted with an itemized statement of same shall be forwarded to the Union by the fifteenth (15th) day of the following month in the manner provided for in the Unified Remittance Form.
3. Should the schedule of Basic Dues be changed, the Financial Secretary of the Union shall inform the Employer in writing sixty (60) days in advance of such change. Such altered schedule shall become part of this Agreement.

ARTICLE 17 - UNION SECURITY (continued)

The Employer agrees to have all present and future employees covered by this Agreement, as a condition of continued employment, consent in writing to the implementation of this Article.

B. Funds

1. Both parties signatory to this Agreement agree that payments into any Fund covered by this Agreement must commence at the time of hiring of any person covered by the scope of this Agreement, regardless of whether or not such person is in a probationary period.
2. In the event that the Employer should be in default in any payment to be made to the Union or Fund Trustees pursuant to the terms of this

Agreement, and including without restriction Pension Funds, Welfare Funds, Remittance of Dues Check-off, the Employer agrees to bear all cost of collecting such monies including legal fees and further agrees that all accounts in this regard shall bear a one percent (1%) per month penalty until they are paid.

3. Prior to any action taken by the Union to collect funds from the Company in default, said Company must be notified by Registered Mail to meet with the Trustees of the Fund(s) and/or the Trustees of the Union within five (5) calendar days to resolve the matter. Should the Employer refuse to meet with the Trustees or disregard such request for a meeting to resolve the problem or remain in default, the Union shall take such action as it deems necessary and the conditions of Section 2 of this Article shall apply.
4. Subject to the foregoing provision, the Union shall withdraw existing employees and shall refuse to refer prospective employees to such defaulting Employer and such action shall not be deemed to be a violation of the terms of this Agreement.
5. In the event any person subject to this Agreement has a claim for benefits under the Welfare Plan refused as a result of an Employer's default in payments, such Employer shall be liable for an amount equal to said claim, plus such costs as the Trustees of this Plan may determine.
6. Should the Trustees of any Fund covered by this Agreement wish to check payments by an Employer, such Employer must open his books to a Chartered Accountant appointed by the Trustees.

C. Unified Remittance of Funds

1. All Funds and Checkoff payments shall be recorded and itemized on a Unified Remittance Form. This form shall be supplied by the Union and

ARTICLE 17 - UNION SECURITY (continued)

shall make provisions for the listing of each employee's name, Social Insurance Number and number of hours earned.

2. All Funds and Check-off Remittances shall be consolidated into one (1) cheque payable to "Sheet Metal Workers' Local 280 - In Trust".
3. It is understood that all Fund contributions are over and above wages called for and may be subject to taxation as levied by either Provincial or Federal statutes. Dues Check-offs are deductions from wages.
4. Hours of employment as outlined in Fund Articles include equivalent hours for Holidays and Vacations.
5. If the Employer has no employees during a given month, he shall submit a "nil" report, unless it is clearly understood by all Parties that he has declared himself out of business.

D. Hiring

1. The Union shall be the sole bargaining authority for all employees covered by this Agreement and it is agreed that all present and future employees coming under the scope and provisions of this Agreement shall become members of and/or maintain membership in the Union.

All new employees shall be informed of this Section. Union membership will be available to all on an equal basis without discrimination, subject only to the By-Laws and Constitution of the Union.

2. The Employer agrees to require membership in the Union as a condition of hire and continued employment.
3. All employees covered by this Agreement must be cleared by referral slip through the office of Local Union No. 280 before being hired. A referral slip must contain the employee's name, category, rate of pay and Social Insurance Number. Outside the Lower Mainland of British Columbia, this may be accomplished either through an "Area Dispatcher" so appointed by the Union, or by a responsible shop Steward where no Area Dispatchers have been appointed.
4. In the event that the Union is unable to supply the Employer with qualified men within forty-eight (48) hours, the Employer shall have the right to employ any available qualified men, provided however that all the provisions of Sections 2 and 3 are complied with.

ARTICLE 18 - TECHNOLOGICAL CHANGE

- A. In view of the possible impact on manpower and conditions of employment resulting from technological changes and automation, it is agreed that the parties hereto utilize to the best advantage of the Company and the employees all scientific improvements and establish a committee to be known as the Committee on Automation, consisting of equal representation by the Employer and the Union. The Committee's duties shall be to investigate and submit recommendations on all aspects of automation, mechanization and new methods, and to include the following:

Training and retraining
Alternate employment opportunities within the Company.

- B. In addition, the Company will, if possible, inform the Committee six (6) months prior to the introduction of any new equipment which will require extensive retraining or will result in loss of employment.
- C. In addition, the Company will co-operate with the Union and the Government in matters of training and retraining.

- D. Both Parties further agree to any further requirements stated in the Labour Relations Code on Technological Change.

ARTICLE 19 - AMENDMENTS

- A. By mutual agreement between the Parties to this Agreement, any Article or Articles herein may be amended or deleted, or new Articles added during the life of the Agreement.

ARTICLE 20 - DURATION OF AGREEMENT

- A. All provisions of this Agreement shall be effective as and from the 1st day of **December 2004** for the period until **November 30, 2007** and shall continue in force and effect from year to year thereafter, unless either party shall desire change and shall file notice in writing, of change and desire, within a period of four (4) months prior to the expiration date of the Agreement or in any year of the continuation of the Agreement, and the established wage scales and conditions specified herein shall continue in force and effect pending negotiations and settlement of any proposed changes suggested by either Party.
- B. It is mutually agreed that if the term of this Agreement should be for more than one (1) year, that the provisions of Section 50, Sub-section 2 of the Labour Relations Code shall be excluded from the operation of this Agreement.

IN WITNESS AND TESTIMONY of the provisions and terms mutually agreed upon and specified herein, the duly authorized Officers and/or Representatives of both Parties hereby affix their signatures.

Fisher & Ludlow Ltd.

Name of Company

**Sheet Metal Workers' International
Association, Local Union No. 280**

Name of Union

Name and Title

Name and Title

Name and Title

Name and Title

PARTY OF THE FIRST PART

PARTY OF THE SECOND PART

Witness

Date

Seal

Seal

SCHEDULE "A"**WAGE RATES**

	<u>CLASSIFICATION</u>	<u>DEC.1, 2004</u>	<u>DEC 1, 2005</u>	<u>DEC. 1, 2006</u>
A.	<i>Welder/Fitter "A"</i>	\$21.87	\$22.42	\$22.87
B.	<i>Welder/Fitter "B"</i>			
	<i>1 to 3 months</i>	17.87	18.42	18.87
	<i>4 to 6 months</i>	18.87	19.42	19.87
	<i>7 to 9 months</i>	19.87	20.42	20.87
	<i>10 to 12 months</i>	20.87	21.42	21.87
C.	<i>Chargehand</i>	22.95	23.52	23.99
D.	<i>Shipper/Receiver</i>	16.27	16.67	17.01
E.	<i>Helper – 1st six months</i>	13.35	13.68	13.95
	<i>- 2nd six months</i>	14.24	14.59	14.88
	<i>- 3rd six months</i>	14.51	14.88	15.17

EXPIRY DATE OF THIS AGREEMENT SHALL BE **NOVEMBER 30, 2007**

Initialed: _____

SCHEDULE "B"

Classification Definition

Welder, Fitter "A"

Those who are customarily employed as such and according to common meaning in the metal working industry **and who have been employed for one year or more.**

Welder/Fitter "B"

An employee hired in the Welder/Fitter classification who is on a staggered wage rate for one year. At the end of that year he becomes a Welder/Fitter "A".

Chargehand

An employee, normally carrying out the duties of a welder, burner or fitter according to common meaning in the metal working industry, designated to supervise other employees.

Shipper/Receiver

An employee whose duties will include shipping and receiving and who will also assist in the shop as needed.

Helper

Employees used for helping Welders, Burners, Fitters or general labour work.

- First six months - Helpers with no previous experience.
- Second six months - Helpers with six months with the Company.
- Thereafter - Helpers with twelve months with the Company.

Initialled: _____